GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:4157
ANSWERED ON:19.04.2002
DUMPING OF CHINESE GOODS
NIVEDITA MANE

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that cheap and modern Chinese items like locks, toys, batteries, etc. started pouring into India about two years ago shortly after India dropped import barriers as a part of an obligation to the World Trade Organisation (WTO);

(b) if so, whether the Government aware that Chinese locks and other items today control roughly 5-6 percent of the Indian market;

(c) if so, whether the Indian Industry is scrambing to figure out; and

(d) if so, the steps the Government have taken to protect domestic industries?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a) to (d) : Import restrictions on items are being removed as a part of economic liberalization programme of the Government and also in terms of our international obligations. However imports are constantly being closely monitored and the Government is determined to ensure, through appropriate use of tariff and other mechanisms, including anti dumping action, that imports do not cause any serious detriment or injury to the domestic industry.

In respect of toys, the Tariff Commission has found that units engaged in this line of manufacture are reasonably competitive both in the domestic as well as international markets and hence do not foresee any threat from import surge. An anti dumping case was initiated against Chinese toys but was closed since injury to domestic industry was not established. Import of toys during April-December, 2000 amounted to Rs. 65.46 crore out of which Rs. 39.43 crore was from China. Import of toys during April-December, 2001 amounted to Rs. 64.76 crore out of which Rs. 47.14 crore was from China.

In respect of dry cell (manganese dioxide) batteries, the Tariff Commission has found that imports are not significant enough to have any impact on production or prices. Further, the dry cell (manganese dioxide) batteries industry is internationally competitive in terms of technology and quality. However, in respect of dry cell batteries, suo motu anti dumping case was initiated by Directorate General of Anti Dumping who have recommended the imposition of anti dumping duty. Import of battery cells during April-December, 2000 amounted to Rs. 59.88 crore out of which Rs. 14.33 crore was from China. Import of battery cells during April-December, 2001 amounted to Rs. 79.01 crore out of which Rs. 11.86 crore was from China.

In respect of locks, the Tariff Commission has indicated that the adverse impact of imports has not been established. An anti dumping case in respect of Chinese locks was closed as no sufficient evidence of injury to justify the continuation of investigations was found. Import of locks during April-December, 2000 amounted to Rs. 19.97 crore out of which Rs. 4.35 crore was from China. Import of locks during April-December, 2001 amounted to Rs. 22.89 crore out of which Rs. 5.94 crore was from China.